

## **Historic, archived document**

Do not assume content reflects current scientific knowledge, policies, or practices.



serve  
7  
-2F

# Foreign

# CROPS AND MARKETS

FEB 23 1956

U.S. DEPARTMENT OF AGRICULTURE

FOR RELEASE MONDAY, FEBRUARY 20, 1956

VOLUME 72

NUMBER 8

## CONTENTS

	PAGE
<b>COTTON</b>	
Cotton Export Authorizations Under Public Law 480 Programs.....	227
Belgian Cotton Imports Drop Below Last Year.....	228
Cotton Production in the Sudan.....	228
<b>DAIRY AND POULTRY PRODUCTS</b>	
Butterfat Production Rises in New Zealand.....	206
Netherlands Seeks to Broaden Cheese Market.....	207
Dairy Farmers Share in Finnish Income-Loss Compensation.....	207
New Zealand Reviews Dairy Exports.....	208
New Milk Plant for Southwest Africa.....	208
U.K. Milk Bonus to be Discontinued.....	209
Rhodesian Milk Prices Set.....	209
Milk Production Rises in Norway.....	210
To Establish Milk Colony for Lahore, Pakistan.....	210
Venezuela to Import Hatching Eggs.....	211
<b>FATS, OILSEEDS AND OILS</b>	
World Flaxseed Production Up 10 Percent.....	221
Philippine Copra Exports Drop in January.....	226
Correction.....	226
Indonesia's Copra Exports Down One-Fifth in 1955.....	226
<b>FRUIT, VEGETABLES AND NUTS</b>	
U.S. Exports of Dry Peas Near Normal After High of Last Season.....	218
Chile Licenses Exports of Beans and Lentils.....	217
Smaller 1956 Dried Fruit Production in South Africa.....	219
French Apple and Pear Import Plans Revised.....	220
Emphasis Placed on Improving Dutch Fruit Industry.....	220
Yugoslav Prune Estimate Revised.....	220
1955 Italian Almond Crop Estimated Unchanged.....	221
<b>GRAINS, GRAIN PRODUCTS, FEEDS AND SEEDS</b>	
Thailand's Rice Exports Increase in 1955.....	212
<b>LIVESTOCK AND MEAT PRODUCTS</b>	
Australian Wool Sales.....	214
Australian Wool Prices.....	215
Norway Seeks Export Markets for Beef.....	215
Cattle Prices Stabilized in South Africa Following Decontrol.....	216
Sao Paulo Plans Reorganization of Livestock Industry.....	216
Beef Prices Higher in Mexico.....	217

(Continued on Following Page)

## CONTENTS---(Continued from cover page)

	Page
REGIONAL DEVELOPMENTS	
20-Year Agricultural Export Forecast for British East Africa...	213
Uganda's Farm Income in 1955 Relatively High.....	225
SUGAR AND TROPICAL PRODUCTS	
U.K. Sugar Crop Third Largest on Record.....	211
TOBACCO	
Malayan Tobacco Products Output Down 15.3 Percent.....	204
Italian Tobacco Trade Increases.....	205
Renewal of Franco-Rumanian Trade Agreement Includes Tobacco....	206
Tobacco Included in Soviet-Swedish Trade Agreement.....	206

- - - - -

PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Issued recently and available (single copies)  
free upon request to persons in the United  
States from the Foreign Agricultural Service,  
U.S. Department of Agriculture, Washington 25,  
D. C. Room 5922. Phone: REpublic 7-4142, Ext.  
2445

The Agricultural Situation in India. Foreign Agriculture Circular FATP 5-56, February 9, 1956.

The Agricultural Situation in Thailand, Foreign Agriculture Circular FATP 4-56, February 9, 1956.

Food and Agricultural Situation in the Dominican Republic. Foreign Agriculture Circular FATP 2-56, February 8, 1956.

Chile: Establishment of 1956 Export Quotas on Farm Products. Foreign Agriculture Circular FATP 3-56, February 8, 1956.

Miscellaneous Tobacco Developments, Foreign Agriculture Circular FT 2-56, February 3, 1956.

- - - - -

L A T E N E W S --- Reports from the United Kingdom state that no positive results on tests for Newcastle disease have been found from samples of United States poultry brought in by the U. S. Air Force, indicating that United States poultry free of Newcastle can be exported.

# MALAYAN TOBACCO PRODUCT OUTPUT DOWN 15.3 PERCENT

Output of tobacco products in the Federation of Malaya during January-August 1955 totaled 5.0 million pounds--down 15.3 percent from the 5.9 million pounds produced during the comparable period in 1954. The decline was the greatest in the production of cigars and cheroots, followed by smoking tobacco and cigarettes. Most of the decline, as indicated by usings of unmanufactured tobacco, is attributed to inadequate domestic supplies although usings of imported leaf, mainly of United States and Southern Rhodesian origin, were at a record high. Imports of United States tobaccos are obtained through Hong Kong at a 5 percent premium.

According to a recent report, there have been some consumer complaints regarding the taste of the local cigarette. Consumers prefer a blend containing a larger amount of American leaf.

Federation of Malaya: Usings of unmanufactured tobacco and output of tobacco products during the January-August periods, 1954-55

Item	January-August 1954	January-August 1955	Percent change from January- August 1954
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	<u>Percent</u>
<u>Usings of Unmanufactured:</u>			
<u>tobacco</u>			
Leaf:			
Imported	751	808	+ 7.6
Domestic	6,885	5,028	-27.0
Cut Tobacco:			
Imported	469	269	-42.6
Domestic	147	28	-81.0
<u>Output of products</u>			
Cigarettes	2,269	2,024	-10.8
Cigars & cheroots	1,579	1,262	-20.1
Smoking tobacco	2,017	1,733	-14.1

Source: Statistical Bulletin of the Federation of Malaya, September 1955

Retail prices of cigarettes during the past two years ranged from .70 to 1.02 Malayan dollars (23.0 to 33.5 U. S. cents) per pack of 20. Retail prices of smoking tobacco ranged from 17.60 to 20.40 Malayan dollars (5.78 to 6.70 U. S. dollars) per pound.



ITALIAN TOBACCO  
TRADE INCREASES

Italian imports of leaf tobacco during the January-September period of 1955 totaled 20.2 million pounds compared with 9.9 million pounds during the corresponding period of 1954. Most of the increase occurred in larger takings of United States, Bulgarian and Turkish leaf, whereas shipments from Greece declined considerably.

ITALY: Trade in leaf tobacco during the January-September periods,  
1954-55

Country	Imports		Exports	
	1954	1955	1954	1955
	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Bulgaria.....	617	5,791	-	-
France.....	-	-	324	1,969
Western Germany..	-	-	1,756	3,296
Greece.....	4,539	2,458	-	-
Belgium.....	-	-	1,736	<u>1/</u>
Netherlands.....	-	-	1,705	2,056
Yugoslavia.....	3,307	<u>1/</u>	72	-
Switzerland.....	-	-	1,432	1,810
United Kingdom...	-	-	496	<u>1/</u>
Sweden.....	-	-	685	<u>1/</u>
Turkey.....	1,451	3,398	-	-
Soviet Union.....	-	-	1,113	2,876
United States.....	4	5,272	852	895
Other.....	-	3,248	4,285	5,887
Total.....	9,918	20,167	14,456	18,789

1/ If any, included in other

Source: Statistica Del Commercio Con L'estero, September 1955

Exports of Italian leaf during the first 9 months of 1955 totaled 18.8 million pounds -- up 13 percent from the 14.5 million pounds exported during the comparable period of 1954. The Netherlands, France, Switzerland, Western Germany and the Soviet Union continued to increase their takings of Italian leaf, whereas shipments to Sweden, Belgium and the United Kingdom were sharply down as compared with January-September 1954.

Imports of cigarettes during the first 9 months of 1955 totaled 1.6 million pounds as compared with 0.8 million pounds last year. Most of the increase occurred in larger imports from the United States which accounted for 39 percent of the total, in contrast to only 7 percent last year. Imports from Switzerland, France and the United Kingdom were also slightly above the first 9 months of 1954.

RENEWAL OF FRANCO-RUMANIAN TRADE  
AGREEMENT INCLUDES TOBACCO

The Trade Agreement between France and Rumania has been extended for 1956 and includes Rumanian leaf as one of the items to be exported in exchange for French goods. The renewed agreement falls within the framework of the 3-year agreement valid from January 1, 1955 to December 31, 1957, signed on December 24, 1954.

The exchange of goods between the principals during 1955 was originally planned at approximately 4.9 billion francs in each direction, but actually amounted to only 2 billion francs. The new agreement calls for a 15 percent increase in exchanges, by value, over that planned for this year, or about 5.75 billion francs in each direction.

TOBACCO INCLUDED IN SWEDISH-SOVIET  
TRADE AGREEMENT

The Swedish-Soviet Trade Agreement was extended for one year following the conclusion of negotiations held in Moscow on December 5, 1955 between representatives of the two countries. The new agreement includes 110,000 pounds of Soviet tobacco to be exported in exchange for Swedish consumer and industrial goods. The Swedish Tobacco Monopoly imports of Soviet leaf during 1953 and 1954 amounted to about 112,000 and 168,000 pounds, respectively.

BUTTERFAT PRODUCTION UP IN NEW ZEALAND

Butterfat production in New Zealand for the five-month period ending November 30 totaled 214.4 million pounds, an increase of 1.0 percent over the corresponding period of last year. Creamery butter production in the first five months of the new season was 208.0 million pounds, 3.4 percent above the earlier year. Cheese production amounted to 97.7 million pounds, - a drop of 11.2 percent from the preceding year.

Casein production was up 31.6 percent, buttermilk powder production was up 16.0 percent, but output of skim milk powder, and condensed milk and dried milk powder from whole milk were down 6.2 percent and 26.0 percent, respectively.

Conditions for dairy production were very favorable throughout most of the country during December. Most areas experienced warm weather and good falls of rain. Prospects for the mid-summer months are considered very good.

# DAIRY FARMERS SHARE IN FINNISH INCOME-LOSS COMPENSATION

Over 75 percent of the total of \$23.4 million allotted by Finland's Cabinet to help offset losses in farm income due to poor 1955 crop yields will go toward milk, butter and cheese subsidies. An additional \$3.2 million will be applied to price reductions or feed concentrates. The remainder will go to sugar beet farmers.

The cost to the Government is estimated as follows:

	<u>\$ Million</u>
For milk sold to fluid milk distributors and to butter and cheese dairies (59¢ per cwt), effective Nov. 1, 1955-May 31, 1956)	11.3
For milk sold direct to consumers from farms	1.3
For milk consumed on farms	4.3
For milk used for farm-made butter	1.9
Additional price reduction on feed concentrates (payable from the Price Equalization Fund)	3.2
Price increase for sugar beets	<u>1.4</u> 23.4

The subsidy for marketed milk is paid to milk distributors and butter and cheese dairies, to be passed on to the producers. The other milk subsidies are paid to the farmers directly upon receipt of application.

## NETHERLANDS SEEKS TO BROADEN CHEESE MARKET

Although 1955 was generally a favorable year for the cheese trade, current stocks are high. Unless additional markets are obtained the 1956 season will be considerably less favorable. The Dutch are looking to Russia for increased cheese trade during 1956.

Cheese production in the Netherlands amounted to almost 350 million pounds in 1955--a gain of approximately 20 million from 1954. Domestic consumption during the past year was estimated to have increased only between 4 and 6.5 million pounds. Exports on the other hand have shown a slight decline.



## NEW ZEALAND REVIEWS DAIRY EXPORTS

While the United Kingdom took 275 million pounds of butter from New Zealand in 1954-55, just under the previous year's total, the latter country's sales to markets outside the United Kingdom reached a record 56 million pounds. Destinations were 50 countries in Europe, Asia, Africa, the Caribbean area, and Central and South America. Over 70 percent of the total quantity exported to secondary markets went to 3 major customers -- U.S.S.R., East Germany and Czechoslovakia, most of which was shipped in late 1954. Amounts going to the other 47 countries varied from 2 thousand pounds to 2 million pounds.

Countries of Continental Europe have been substantial takers of New Zealand butter -- mostly the unsalted type -- for years. The quantity each country purchases from year to year is determined by the level of domestic production, by governmental restrictions or by licensing imposed for the protection of domestic producers or for balance of payment reasons. Butter shipped to the Continent is packed in bulk. However, that intended for other markets is pre-packed in New Zealand in one pound and one-half pound prints. New Zealand ships about 9 million pounds annually in this form. Last year, large quantities of butter were shipped to the West Indies, of which the biggest taker was Jamaica with over 2 million pounds of creamery butter, mainly in prints.

Cheese exports to secondary markets from New Zealand in 1954-55 went to 41 countries and amounted to more than 13 million pounds. This quantity was almost double that sent to markets other than the United Kingdom in 1953-54, but it was below the quantities shipped in previous years.

The New Zealand Dairy Products Marketing Commission states that the estimated loss on sales of butter and cheese during the 1954-55 season will be approximately \$3.6 million. Butter will show a profit of about \$140,000 while cheese will cost the Commission about \$3.8 million. The profit-and-loss statement has been used by the Commission to justify the abrogating of the bulk contract with the United Kingdom. Had the contract remained in force, realizations from the sale of butter would have been about \$1.7 million less while that for cheese would have been about \$1.4 million more. The returns from milk and butter sales, however, would have been almost \$600 thousand under that returned by free market sales.

## NEW MILK PLANT FOR SOUTH-WEST AFRICA

A new milk products plant has been opened at Otabi in South-West Africa, a trust territory of the Union of South Africa. The plant will handle over 200,000 pounds of milk a day, pasteurizing some for fluid use and processing the rest into butter, cheese, milk powder, and casein.

The South West Africa has a population of only 430,000, of whom 50,000 are of European descent. It has large animal numbers, however, and supports about 1.3 million head of cattle in addition to about 4.5 million sheep and goats.

More than 260 million pounds of milk were produced in Southwest Africa in 1954; from this was produced 11.1 million pounds of butter and 0.7 million pounds of cheese. Most of the butter is marketed through the Dairy Marketing Board of the Union of South Africa, which took about 8.2 million pounds of the butter produced; an additional 1.2 million pounds of butter were shipped elsewhere. Upwards of 375,000 pounds of the cheese were exported.

#### U. K. MILK BONUS TO BE DISCONTINUED

The United Kingdom Milk Marketing Board, after canvassing its regional committees, has decided on the gradual removal of the milk production bonus. The bonus was introduced during the war, as a means of obtaining every available pound of milk from the small producer. It was continued after the war by the Ministry of Food. Since the milk industry was released from wartime controls last year the Milk Marketing Boards have been paying the bonus with the cost being met by a levy on all producers.

For the year ending March 31, 1956 the summer months' bonus has amounted to 11.3 cents per cwt. for the first 52 cwt. During the winter months the bonus was 34 cents per cwt. on the first 41 cwt. The bonus is payable on each months supply.

For the year ending March 31, 1957 the summer bonus will remain the same but the winter bonus drops to 22.7 cents per cwt. on the first 41 cwt. For the year ending March 31, 1958 the bonus for the five summer months will be only 5.6 cents on the first 52 cwt. The winter months bonus will drop to 11.3 cents on the first 41 cwt. After March 31, 1958 the bonus will no longer be paid.

#### RHODESIAN MILK PRICES SET

The pricing arrangements under the plan of the Federation of Rhodesia and Nyasaland to obtain more milk for fluid use (see Foreign Crops and Markets, December 12, 1955), has just been published under Government Notice Number 277. From July to November producers will be paid at the rate of \$5.44 per cwt; from December through February the price per hundred weight will drop to \$3.85, but will rise to \$4.98 in the March through June period.

Payments to the producers of the above amounts will be made on the amount going to fluid milk, plus 20 percent of the sales of fluid milk each month. For all milk surplus to this quantity the producers will be paid \$2.38 per cwt. No data are available on the amount of milk going to fluid consumption, but in November 1955 approximately 1,750,000 pounds was converted to cheese.

The price of fluid milk to consumers is 12.7 cents a quart cash payment, and 14.1 cents a quart on credit. For home deliveries an additional 1.1 cents a quart may be charged.

#### MILK PRODUCTION RISES IN NORWAY

Milk production in Norway is above last year, despite last summer's drought and a continued reduction of milk cow numbers in favor of the more profitable production of grain. This higher milk production is attributed to the increase in average yield per cow as a result of better feeding practices and improvement in the milk producing capacity of the dairy herds.

#### TO ESTABLISH MILK COLONY FOR LAHORE, PAKISTAN

The Minister of Food for West Pakistan has announced the initiation of a pilot project to provide a milk colony for the city of Lahore on the order of the Bombay milk colony at Annand. The Lahore project would be, if successful, the first of a series of such colonies to be established in West Pakistan. The site of the project is southeast of Lahore where a stabling farm with milking facilities will be established. The total cost for the project is estimated at \$945,000, of which four-fifths would be non-recurring.

A colony would have 6 farm units, each sufficient to accomodate 700 cattle, allowing the city to remove 4,200 cows of the estimated 15,000 to 20,000 which congest the walled areas of the city at present. The cattle owners will retain title to their animals, paying a monthly fee for stabling privileges.

Pending organization of the distribution system, the Government will handle only the production side of the project; however, it will eventually participate in the distribution system through milk centers set up throughout the city.



## VENEZUELA TO IMPORT HATCHING EGGS

The Venezuelan Ministry of Agriculture, reportedly will issue import licenses for hatching eggs, as of April 1, 1956, under the condition that the importers purchase all the locally-produced hatching eggs of satisfactory quality.

Presently, there are two private and one Federal hatcheries in Venezuela. One of the companies has an incubator capacity of 25,000 eggs per week. In the past, this company has been paying 12 U. S. cents for each acceptable egg. However, it is reported that it has only been able to obtain weekly, 6,000 to 7,000 locally-produced eggs. If this is true, this company alone may be in the market for 18,000 hatching eggs per week.

The capacity of the Federal and the other private hatchery is not known, but it has been roughly estimated that they will demand at least 12,000 eggs per week after April 1. If these figures are correct, Venezuelan hatcheries could supply about 40 percent of the baby chicks fed weekly in Venezuela. This Governmental decision might induce others to go into the hatching business.

Because the hatcheries already in operation are located in or near Caracas, the export of United States baby chicks to Maracaibo and to eastern Venezuela may not be effected.

Since the Ministry licenses the number of baby chicks imported, the Ministry possibly will not issue licenses for hatching eggs and baby chicks to surpass the present baby chick import quota unless the wholesale price for whole eviscerated broilers goes well above \$1.45 each.

U. K. SUGAR CROP THIRD  
LARGEST ON RECORD

The latest estimate of the United Kingdom's beet harvest is 4,545,000 long tons (5,090,000 short tons). Refined sugar produced therefrom was about 615,000 long tons (740,000 short tons, raw equivalent).

High sugar content resulted from exceptionally good harvesting conditions throughout the season. This combined with greater use of mechanical harvesters resulted in the third largest beet and sugar production on record.

# THAILAND'S RICE EXPORTS INCREASE in 1955

Milled rice exports from Thailand in 1955 totaled 1,228,000 metric tons (1 metric ton = 2,204.6 pounds), an increase of 224,000 tons over exports of 1,004,000 tons in the year before. In addition, 93,678 tons of "rice flour" were exported. "Rice flour" is the term used for coarsely ground rice of poor quality, or damaged rice, sold mainly for use in animal feeds. Principal destinations of this type were Europe, Malaya and Hong Kong.

THAILAND: Milled rice exports, by country of destination, 1950-1955

Country of destination	1950	1951	1952	1953	1954	1955
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
U.K. & Br. Territ.						
Malaya.....	402,596	363,200	383,500	306,840	131,809	177,244
Singapore.....	6,780	30,500	-	64,558	181,493	219,468
Hong Kong.....	133,586	106,600	175,600	241,315	115,875	168,855
British Borneo...1/	30,380	30,900	20,100	20,220	2/	28,235
United Kingdom...	30,000	500	3,200	2,680	3/	26,850
Other Br. Territ.	0	0	0	0	65,652	3,489
Total.....	603,342	531,700	582,400	635,613	494,829	624,141
Japan.....	326,850	354,790	297,900	477,301	333,453	347,947
Korea.....	29,700	36,288	49,600	99,815	0	0
Indonesia.....	95,043	186,250	191,800	29,164	57,832	66,090
Ceylon.....	30,368	0	16,300	0	0	12,306
Philippines.....	6,444	110,220	30,100	0	15,500	56,525
India.....	88,162	230,100	177,300	4,227	3,300	1,505
New Guinea.....	0	5,475	5,100	4,005	2/ 2/	6,839
Near East.....	( -	8,130	15,000	7,352	14,832	7,375
Africa.....	(51,041	10,140	16,000	24,810	6,135	22,476
Okinawa.....	0	0	9,400	500	4,050	21,910
China.....	26,200	4/	4/	4/	0	0
Macao.....	45,807	0	0	0	12,383	4/
Cambodia.....	0	0	0	0	0	7,000
Laos.....	0	0	0	0	2,000	4,000
Netherlands.....	73,931	60,390	28,500	28,469	31,675	38,245
Belgium.....	4,740	17,020	5,000	500	0	15
Germany.....	0	210	2,300	5,000	0	1,015
Other Europe.....	4,373	1,890	1,000	546	28,312	1,434
Canada.....	5,947	1,200	0	0	23	600
Other countries....5/	91,300	1,757	300	18,917	0	8,705
Total.....	1,483,248	1,555,560	1,428,000	1,336,219	1,004,324	1,228,128

1/ Includes Dutch Borneo. 2/ Included under other British Territories.

3/ If any, included under Europe. 4/ If any, included under other countries.

5/ Includes 56,144 tons of infested and damaged rice.

Compiled from trade sources.



Milled rice exports included white rice of various grades, A and C grade broken, loonzain, or lightly milled rice, parboiled rice and glutinous rice. Shipments of various grades in 1955 were as follows (in 1,000 tons): 100-percent white rice, 41; 5-percent broken, 366; 10-percent broken, 149; 15-percent broken, 55; other white rice, 263; A1 broken, 206; C1 broken, 44; C3 broken 2; glutinous rice, 54; glutinous broken, 13; loonzain (brown rice), 5; parboiled, 18; infested rice, 12; rice flour, 94; total rice and rice products, 1,322.

Approximately one-half of Thailand's rice exports in 1955 were to British territories in Asia, and 28 percent went to Japan. Principal increases in exports to other countries were to the Philippine Republic, Indonesia, Okinawa, Indochina, and Ceylon.

Exportable supplies of rice in 1956 are reported to be from 1.4 to 1.5 million metric tons. All exports will come from the new 1955-56 crop, since rice stocks from the 1954-55 crop were exhausted before the end of the year. The 1955-56 harvest, mainly in December, is reported to be an unusually large crop.

#### 20-YEAR AGRICULTURAL EXPORT FORECAST FOR BRITISH EAST AFRICA

A recent survey forecasts that British East Africa (principally Tanganyika) eventually will have to import annually about 6,000 tons of rice and 50,000 tons of wheat. In addition inter-territorial shipments of Kenya wheat are expected to increase to Uganda and Tanganyika.

Large increases in the production of some cash export crops, including cotton and coffee, for overseas markets, and also food output for urban and inter-territorial markets, are predicted. Shift is recommended of the major center of commercial corn production from Kenya to Uganda in the light of Kenya's marketing losses in 1954 and 1955. These losses resulted from a high price guarantee by the Kenya Maize and Produce Control, exceptionally good crop conditions in 1954 and 1955, and inadequate storage facilities, necessitating exports at a loss. In 1953 Kenya imported corn from the United States and South Africa because of drought.

The survey emphasizes the continued predominance of agriculture in the export and domestic economy of British East Africa for the next 20 years. However, it points out the continuing growth of Kenya's secondary processing industry, utilizing both domestic and imported raw materials, and predicts that there will be a similar growth on a smaller scale in Uganda, since the availability of power from the Owens Falls power project.

The prediction is made that most food requirements will continue to be met largely from local production or inter-territorial exchange.

Native Africans are expected to benefit to an increasing extent from rising incomes and from their increased production of cash export crops. This is predicated on the success of the recent Royal Commission's recommendations and Kenya's Swynnerton Plan for improving African agriculture.

BRITISH EAST AFRICA: Volume of Exports, 1954, and Forecast, 1974  
(1,000 long tons)

Commodity	Kenya		Uganda		Tanganyika	
	1954	1974	1954	1974	1954	1974
Cotton	3	4	72	89	13	42
Beans, peas	-	-	3	2	10	23
Dairy produce	2	3	-	-	-	-
Pineapples	4	16	-	-	-	-
Sisal	32	40	1	1	168	200
Coffee	11	30	35	80	19	46
Tea	5	21	2	5	2	2
Oilseeds, Nuts	9	11	18	63	46	60
Hides, Skins	4	6	2	3	6	7
Livestock	1	3	-	-	2	6
Timber	2	110	-	-	7	4
Wattle	24	45	-	2	-	12
Pyrethrum	2	6	-	-	0.5	1

These statistics are the result of an economic survey for the East African Railways and Harbors Administration prepared by the staff of the London Economist, as a basis for determining the rail and harbor transportation needs of the territories during the next 20 years. Much delay in handling of exports and imports in recent years has resulted from overcrowded harbor and rail facilities.

#### AUSTRALIAN WOOL SALES

During the week ending January 20, 1956, there were 53,000 bales of wool sold at Melbourne, 35,000 bales at New Castle and 10,000 bales at Goulburn. Prices were firm with excellent clearances at all auctions.

Further sales were held in Australia during the weeks ending January 27 and February 3. Trade sources indicate that competition among the major buyers continued strong.

A nation-wide dock strike resulted in the cancellation of all wool sales beginning with the week of February 5. As of February 10, efforts were still in progress to settle the dispute between labor and shipping interests.

AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis, on Australian auction floors, by quality classification.  
(Current prices with comparisons)

Type and Grade	Week Ended		
	1-20-56	Week earlier 1-13-56	Year ago 1-21-55
-----U. S. DOLLARS PER POUND -----			
<u>Combing Wools</u>			
70's Good	1.30	1.30	1.55
Average	1.23	1.22	1.43
64's Good	1.13	1.13	1.33
Average	1.12	1.11	1.28
60's Good	1.01	1.01	1.21
Average	1.00	1.00	1.17
58's Good	.95	.94	1.11
Average	.93	.92	-
56's Good	.89	.88	1.03
Average	.88	.87	-
50's Good	.81	.80	.90
Average	.80	.79	-
<u>Carding Wools</u>			
Merino	.79	.78	.84
Comeback	.74	.74	.81
Fine Crossbred	.70	.70	.80
Medium Crossbred	.69	.69	.79

Source: Wool Statistical Service of the Australian Wool Bureau.

#### NORWAY SEEKS EXPORT MARKETS FOR BEEF

Norway is offering to sell surplus beef to several European countries. The meat marketing cooperatives have supported prices to producers and a drought last summer brought about increased slaughter. There also has been a reduction in milk cow numbers due to the profitability of producing grain. Available storage space for beef is now filled. Norway is not normally a meat exporter.

Rather than force the meat marketing cooperatives to sell beef at lower prices in the domestic market, the Government seeks to move the beef into export channels even though prices in the export markets are as much as 35 to 40 percent below those in the home market. The extent to which the Government or the farmers will share the loss has not been disclosed but may be an issue in the current farm price negotiations.

#### CATTLE PRICES STABILIZED IN SOUTH AFRICA FOLLOWING DECONTROL

Prices of beef in the Union of South Africa in late January had stabilized at levels a little higher than under the price controls which were lifted January 16. (Foreign Crops and Markets, February 6, 1956, page 157). Immediately after decontrol there had been a flurry of high prices and increased marketings.

Producers are now guaranteed minimum prices equal to those prevailing during control. Carcass beef is now being sold at auction. The Meat Board has already bought some carcass beef to maintain the guaranteed prices. The entire supply of Prime A quality beef offered at Pretoria on January 18 was put into cold storage and will later be distributed at 135 shillings per 100 pounds (\$18.90).

The Meat Board now levies 13 shillings and 6 pence (\$1.88) per head on all cattle slaughtered to cover its administrative costs and to maintain a pool for price support. The former levy of the Meat Board was 20 shillings and 10 pence (\$2.90). Registration of butchers is still required but it is expected that this control will be relaxed so that new firms will be permitted to slaughter.

#### SAO PAULO PLANS REORGANIZATION OF LIVESTOCK INDUSTRY

The Council of Paulista Producing Classes, of Sao Paulo, has presented to the President of Brazil a memorandum which, among other things, proposes to improve the status of livestock husbandry. It was proposed to remove price controls gradually; revise the National Plan for Meat Packers to include the State of Sao Paulo; to make credit more readily available for livestock and poultry producers; and to create conditions generally more favorable to the export of livestock products.

The Council stated that conditions in Sao Paulo would permit the expansion of livestock production, and assure adequate supplies for both the domestic market and for exports.



## BEEF PRICES HIGHER IN MEXICO

Late reports from Mexico confirm earlier expectations of a small movement of Mexican cattle to the United States during the current season. Demand for beef is strong in Mexico, ranges are in good condition and the low prices for feeder cattle in the United States are all tending to restrict the movement.

The first 800 head of steers of the winter export season from the State of Sonora crossed into the United States at Naco on October 6. Yearlings and two year olds brought from 16 to 18½ U.S. cents per pound f.a.s. point of entry in November, and were down to 16 cents per pound, by the end of December. Bulls brought 10 cents a pound. During the last quarter of 1955 some 7,000 head of feeder steers from Sonora crossed into the United States.

On November 9, 1955, Law Number 2 of the Congress of the State of Sonora, amending Number 99, enacted October 4, 1948, became effective. Under the new law, cattle ranchers must set aside for local use 15 percent of the cattle ready for export to the United States, to guarantee sufficient meat for domestic consumption. Packers are forbidden to pay ranchers more than the equivalent of 8.5 cents per pound liveweight and must sell at fixed prices to the general public.

The official retail price is 18.2 cents per pound for second class cuts such as briskets, shank, liver, and neck. The better cuts, such as the loins, are pegged officially, at 25.4 cents per pound. However, a black market has developed where prices range from 22.7 cents a pound for the cheapest, to 80 cents a pound for the best cuts.

About 1.5 million pounds of frozen beef were exported from the meat packing plant at Guaymas to Chile, during the week ended November 12.

The Sonora Cattlemen's Association's program to import a sizable number of breeding cattle from the United States apparently is almost dormant, one of the principal reasons being that the cattlemen's association is not in a position to guarantee payment on loans for a substantial number of cattle. Prospective borrowers have been discouraged from making loans because of the large amounts of collateral which must be pledged against them through the association. A bank in Phoenix, Arizona has offered \$1 million for loan capital but it seems doubtful that loans of any substantial amount will actually be made.

## CHILE LICENSES EXPORTS OF BEANS AND LENTILS

In early February, The Chilean Government issued export permits for certain agricultural products. Included in the list were the following quantities of beans and lentils:



<u>Product</u>	<u>:</u>	<u>Country</u>	<u>:</u>	<u>Quantity</u>
	:		:	100-lb. bags
	:		:	
Large lentils	:	Netherlands	:	880
	:	Panama	:	35
	:	West Germany	:	1,550
Small lentils	:	West Germany	:	545
Rice beans	:	United Kingdom	:	4,480
Red kidneys..	:	Panama	:	245

#### U. S. EXPORTS OF DRY PEAS NEAR NORMAL AFTER HIGH OF LAST SEASON

Exports of dry peas from the United States in August-November 1955 (the first one-third of the current marketing year) totaled 160,000 bags, or about normal for the period. It was only about one-fourth, however, of the 654,000 bags exported in the same 4 months of 1954 when Europe imported large quantities because of a poor domestic harvest.

Because of large production and low prices in Europe in 1955, Netherlands peas have been arriving in Cuba for several months, and in November, 13,000 bags of Netherlands and Belgium peas arrived in the United States. During the 4-month period, however, the United States sent 20,000 bags of peas to the Netherlands and Belgium.

The United States has imported 7 times as many peas in the 4 months, August-November 1955, as in the same months of 1954. About one-half of these came from the Low Countries of Europe, and half from New Zealand, and Western Hemisphere countries.

The changes in production in Europe this year, as compared with last year, is reflected in prices which, at the end of January 1956, were \$5.00 to \$5.50 per cwt. (depending on class of peas), f.o.b. Rotterdam. A year earlier they were \$12.50 to \$18.00 per cwt.

The world supply of peas in 1955-56 is larger than last year, due to sharply increased production in the United Kingdom and the Low Countries. Partially offsetting these increases, however, was the reduced production in the United States and in some Western European countries other than England, and the Low Countries (see Foreign Crops and Markets, January 30, 1956). (Table on following page)

PEAS, DRY: Exports and imports of the United States,  
by countries of destination and origin,  
August-November 1955, compared with August-November 1954

Country of destination	E x p o r t s		Country of origin	I m p o r t s	
	1954	1955		1954	1955
	Bags of 100 lbs.			Bags of 100 lbs.	
Canada.....	6,707	4,271	Canada.....	0	2,965
Mexico.....	960	3,052	Peru.....	0	978
Cuba.....	37,979	39,273	Netherlands...	16	6,840
Venezuela.....	48,528	60,664	Belgium and		
Surinam.....	1,955	1,095	Luxemburg...	0	6,800
Peru.....	1,400	1,035	Dominican		
Brazil.....	2,138	4,803	Republic....	520	3,493
Panama.....	4,300	1,400	Argentina.....	0	2,185
Japan.....	3,780	1,543	New Zealand...	2,719	3,337
United Kingdom..	66,933	3,322	Sweden.....	36	0
Israel &			Italy.....	28	0
Palestine.....	2,114	3,646	Australia.....	563	0
Netherlands.....	127,139	7,608			
Belgium and			Total.....	3,882	26,598
Luxemburg.....	57,627	11,944			
Germany, Western:	185,439	434			
Colombia.....	34,625	4,962			
Switzerland.....	27,848	3,022			
Czechoslovakia..	10,110	0			
Ireland.....	5,600	0			
Norway.....	14,982	0			
Other.....	13,476	8,518			
Total.....	653,640	160,592			

Bureau of Census

SMALLER 1956 DRIED FRUIT PRODUCTION  
IN SOUTH AFRICA

Forecasts of the 1956 South African dried fruit production indicate a smaller output than in 1955. The 1956 forecasts are as follows, compared with last year (1955 in parenthesis): dried apples about the same (122 short tons), dried pears about the same (222 tons), slightly less for dried apricots (900 tons) and peaches (1,800 tons), about 1,000 tons for currants (1,035 tons), much smaller sultana and Thompson seedless crops because of flood and frost damage (4,317 tons), and prunes 2,500 tons (3,298 tons). An effort is being made to reduce Valencia-type raisin production to about 2,500 tons (4,798 tons in 1955) because of unsatisfactory prices. According to a South African press report, a considerable acreage of irrigated raisin vineyards is being torn up and put into tomatoes.

FRENCH APPLE AND PEAR  
IMPORT PLANS REVISED

To date this season France has permitted apples to be imported only from Switzerland under a quota of about 276,000 boxes. Actual imports are reported to have been minor because of relatively low prices in French markets and a light crop in Switzerland.

Other quotas, expected to be issued about March 1, are as follows:

Netherlands	322,000 boxes
Belgium	193,000 "
Italy	436,000 "
Yugoslavia	46,000 "

Apple importer and producer groups are expected to meet with the Government about mid-February to consider quotas for the dollar area.

Pear import quotas have been assigned for Argentina in the amount of 66,000 boxes and for Australia, 45,000 boxes.

EMPHASIS PLACED ON IMPROVING  
DUTCH FRUIT INDUSTRY

Dutch horticultural advisers and farm organizations are carrying out a large-scale drive in the principal fruit-growing areas for higher quality fruits. The drive is being made in an effort to maintain their main fruit-export market, West Germany. In recent years, Dutch exporters have encountered increasing competition from Italian fruit in the West German market.

Noticeable improvements have already been accomplished in the fruit growing industry. New cold storage warehouses have been built, a number of old orchards pulled, and the average yields per acre have increased appreciably.

## YUGOSLAV PRUNE ESTIMATE REVISED

More recent information from Yugoslavia indicates a downward revision of the early official estimate of the 1955 dried prune pack. Production of dried prunes from the 1955 crop is now estimated at 25,000 short tons, compared with the preliminary forecast of 55,000 tons. This is the "on-year" for Yugoslav production, following the 1954 "off-year" production of only 9,200 tons.

Fresh prune and plum production has been estimated at 995,000 short tons in 1955, and 450,000 tons in 1954.

1955 ITALIAN ALMOND CROP  
ESTIMATE UNCHANGED

The 1955 commercial almond crop in Italy is currently estimated at 18,200 short tons, shelled basis, or approximately the same as the early fall estimates. This is the smallest Italian almond crop since 1942. The 1954 crop has been estimated at 34,200 tons.

Extent of frost damage to the 1956 crop by the early-February cold in the Bari area is not yet determined. Almonds were already blooming in the warmer locations in Bari by late January. According to newspaper reports, there was snow in the Bari area during the recent cold wave.

Italian almond exports for the entire 1955-56 season are expected to total only between 14,500 and 15,000 tons, shelled basis. Exports in 1954-55 totaled 30,600 tons, and in 1953-54, 39,200 tons.

Late January f.o.b. prices, for shelled almonds were reported as \$.94 per pound for Prima Baris of fair average quality, cleaned, and without dust and shell; and \$.94 to \$.97 for P.G.'s. Current stocks are estimated at about 3,000 tons, shelled basis, and it is expected that the carryout at the end of the season will be extremely small - possibly not in excess of 300 tons.

WORLD FLAXSEED PRODUCTION UP 10 PERCENT

World flaxseed production for 1955 is estimated by the Foreign Agricultural Service at 130 million bushels. This is 9 million bushels less than the forecast published in November, resulting largely from revised estimates of the harvests in Argentina and the United States. However, it is 12 million bushels, or 10 percent larger, than the estimated outturn of 1954 and only slightly less than average prewar production.

Flaxseed output increased from 1954 in most of the principal producing countries of the world except Argentina and the United States, with the greatest expansion in Canada. But, with the sizable increase which is believed to have occurred in the Soviet Union, only about one-half of the 12 million-bushel net increase in world production can be accounted for by the free areas of the world.

Despite the larger output, supplies of flaxseed and linseed oil are down from last year. And, with heavy European consumption demands, world prices have increased sharply. World supplies of flaxseed and linseed oil have been reduced as a result of heavy exports in the past two years of Government-held stocks in the United States and Argentina. Uncommitted supplies of flaxseed and linseed oil in Argentina are low and the available surplus of seed and oil from the new crop is expected to be small. From July 1, 1955 through December almost 4 million bushels of United States seed left the country and an additional substantial quantity likely will be exported by the end of June.



India prohibits the export of flaxseed and, while linseed oil exports currently are licensed freely, Indian prices have continued well above those of oil from other sources. Canada expected to have around 15 million bushels available for export from the 1955 crop, but a substantial portion of this supply already has been exported.

Production in North America in 1955 was up one-fifth due entirely to the sharp increase in Canada where the harvest of 21,498,000 bushels was almost double that of the previous year and was the largest since 1912. Farmers increased their plantings by 65 percent, mainly at the expense of wheat, and favorable weather resulted in an average yield of 10.8 bushels per acre.

In the United States, production was somewhat short of early expectations. The harvest of 40,638,000 bushels, however, was only slightly less than in 1954 despite a 12 percent decline in harvested acreage. Flaxseed production in Mexico has declined sharply in the past two years largely because of weak export demand and competition from other crops, principally cotton. However, with the strengthening of foreign demand, fall plantings on the west coast reportedly increased five-fold and the harvest this spring is expected to approximate 550,000 bushels, largely for export.

The moderate expansion which appears to have occurred in Europe in 1955 is explained by larger crops in Belgium, France and the Netherlands. Production in Sweden and the United Kingdom has declined to negligible quantities. In the Soviet Union, acreage and production are believed to have been substantially larger than in 1954.

In Asia, production was up 4 percent with increases in all the major producing countries. India's crop at 15,520,000 bushels was up 4 percent from each of the two previous years but was 2.6 million bushels short of average prewar output. Pakistan's harvest was 17 percent larger than in 1954 and an increase of 7 percent was reported for both Turkey and Japan.

The crop just harvested in South America appears to be down about 30 percent from 1954. The first official estimate places Argentina's harvest at 10,670,000 bushels or one-third less than last season's crop and the smallest outturn since 1916. Flaxseed acreage in the Argentine has declined from a 6-million acre prewar average to less than 2 million since 1952. An estimated 1.7 million acres were planted in 1955 compared with 1.8 million in 1954. Moreover, drought reduced the yields to below-normal levels. Acreage in the coming crop year is expected to expand considerably as a result of the sharp boost in the guaranteed price to producers from 75 to 140 pesos per 100 kilograms. The estimate of Uruguay's 1955 harvest has now been reduced to 2.4 million bushels. Brazil's crop was expected to be down 7 percent.

There has been no indication of any material change in flaxseed production in Africa or Oceania in 1955. Africa's total production probably was about 3.3 million bushels and Oceania's around 450,000 bushels.



Continent and country	Harvested acreage				Yield per acre				Production			
	Average		1955 2/		Average		1955 2/		Average		1955 2/	
	1935-39	1945-49	1953	1954	1935-39	1945-49	1953	1954	1935-39	1945-49	1953	1954
<b>NORTH AMERICA</b>												
Canada.....	307	1,135	972	1,206	1,988	4.9	8.1	10.2	1,508	9,252	9,912	11,238
Mexico.....	16	101	71	37	25	6.9	13.0	16.5	111	1,310	1,220	591
United States.....	1,451	4,073	4,456	5,589	4,922	7.6	9.6	8.2	10,991	39,108	36,668	40,833
Estimated total.....	1,774	5,309	5,502	6,832	6,935	-	-	-	12,610	49,670	47,800	52,661
<b>EUROPE</b>												
Austria 3/.....	5	6	2	2	1	7.1	6.3	-	36.4/	38	-	-
Belgium 2/.....	75	69	80	79	88	8.9	8.3	8.1	664	570	651	769
Denmark.....	5	21	5	3	2	17.6	10.3	10.3	-	377	51	44
Finland.....	3/ 5/	9 3/ 4/	16 5/	5 5/	7.5	10.7	9.6	12.9	- 5/	120	47	57
France 2/.....	92	85	109	113	132	5.0	4.8	7.2	464	407	787	1,063
Germany, Western 2/.....	45 4/	45	9	8	8	10.6	9.9	11.5	476 4/	451	100	101
Greece.....	-	-	-	-	-	-	-	-	79 1/	118	39	-
Italy 3/.....	30	42	45	44	-	6.7	8.6	11.0	202	362	500	388
Netherlands 2/.....	42	37	67	75	80	13.0	12.2	12.7	546	449	858	941
Spain 3/.....	6 1/	11	47	-	-	2.2	4.2	-	- 14/	23	197	-
Sweden.....	53	53	23	7	2	18.0	15.2	15.9	-	94 3/	346	118
United Kingdom.....	2	41	10	3	2	16.0	20.0	13.3	-	652	200	40
Yugoslavia.....	33 3/ 4/	30	3	3	2	1.6	2.7	10.4	52 4/	80	29	18
Estimated total 7/.....	350	470	410	390	425	-	-	-	2,610	4,600	3,820	3,785
Estimated total, other Europe.....	295	365	840	790	790	-	-	-	2,690	2,710	6,261	5,855
Estimated total, all Europe (excluding U.S.S.R.) 7/.....	645	835	1,250	1,180	1,215	-	-	-	5,300	7,310	10,085	9,585
U.S.S.R. (Europe and Asia) 2/.....	4/ 6,434 4/	3,465	-	-	-	5.1	4.3	-	4/ 32,115 4/	14,780	-	-

## FLAXSEED (Cont'd)

[illegible]

Estimated total  
(excluding U.S.S.R.)

[illegible]

## SOUTH AMERICA

Argentina.....	6,077	3,010	1,365	1,583.11/	1,681	9.8	10.5	11.8	10.3	6.3	59,571	31,541	16,314	10,670
Brazil.....	-	-	86	-	-	-	-	12.6	-	-	-	905	1,063	984
Chile 3/.....	12/	14	17	-	17	8.2	12.8	12.2	11.9	-	12/	37	202	207
Uruguay.....	466	507	240	247	247	9.6	8.4	10.6	10.3	9.7	3,894	3,900	2,479	2,400
Estimated total 7/.....	6,570	3,592	1,710	1,925	2,025	-	-	-	-	-	64,035	36,540	19,970	14,255

## AFRICA

Algeria.....	77:	7:	5:	-	-	6.9	6.0	6.6	-	-	533:	42:	-
Egypt 2/.....	7:	7:	-	-	-	13.7	14.9	-	-	-	87:	170:	165:
French Morocco.....	51:	120:	193:	-	-	7.1	6.7	7.1	-	-	362:	797:	1,024:
Tunisia.....	1:	37:	3:	-	-	5.6	6.1	8.0	-	-	4:	222:	22:
Estimated total 7/.....	65:	375:	115:	370:	370:	-	-	-	-	-	500:	2,515:	3,680:
												3,315:	3,295:

## OCEANIA

Australia 13/.....	9:	6:	25:	-	-	8.5	5.6	12.0	-	16/	78:	35:
New Zealand.....	11:	3:	8:	-	-	14.2	20.6	20.0	-	17.4/	122:	155:
Estimated total.....	1:	20:	33:	33:	-	-	-	-	-	17:	200:	455:

[illegible]

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attachees and other U. S. representatives abroad, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

Present prospects are that flaxseed production may increase this year. With the support price on United States flaxseed increased to \$3.09 per bushel compared with \$2.91 for 1955-crop seed, farmers likely will increase their plantings. Similarly, the 87 percent increase in guaranteed prices to Argentine farmers should result in a significant increase in flaxseed acreage. It is reported that farmers in the Prairie Provinces of Canada may make further additions to their flaxseed plantings if conditions at planting time suggest that the wheat marketing problem will continue to be a difficult one in 1956-57. And, in Mexico, the spring harvest on the west coast alone is expected to exceed total 1955 production by about 40 percent.

---

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

#### UGANDA'S FARM INCOME IN 1955 RELATIVELY HIGH

Despite a poor 1954-55 cotton crop and lower world prices for Robusta and Arabica coffees, Uganda had a relatively high farm income in 1955 because of high guaranteed prices to producers of these commodities prior to reduction of such prices. There were record crops of Robusta and Arabica coffees as well as a major increase in the tea crop in 1954 and 1955. The value of the coffee crop, although the second most valuable export, was very close to that of cotton, traditionally the most valuable crop.

The guaranteed price to the African coffee producers by the Coffee Industry Board for unhulled Robusta coffee was reduced in May 1955 from 17-1/2 cents per pound to 10-1/2 cents, after the Board lost about \$12.6 million on its 1954-55 operations because of continuance of the higher price to producers after the drop in the world price. This loss was absorbed from the Board's reserve funds. About 90 percent of Uganda's coffee production is low-priced Robusta, and most of it is exported to European markets. The United States prefers mild Arabica coffees and uses Robustas mainly for blending in instant coffees.

The corn crop in Uganda in 1955 was short, but this deficiency is being met by imports from Kenya's surplus. Uganda in turn is exporting most of its surplus sugar production from the 1955 crop to Kenya. Except for some tobacco and moderate quantities of a few other agricultural commodities, Uganda continues to meet most of its agricultural needs either from local production or through inter-territorial trade with Kenya and Tanganyika.

While Uganda's exports to the United States in 1954 were reported as valued at about \$8.4 million, imports from the United States were only valued at about \$3 million.



PHILIPPINE COPRA EXPORTS  
UP IN JANUARY

Philippine exports of copra during January totaled 86,890 long tons. This is an increase of 2 percent from the previous month and 45 percent more than the volume shipped in January 1955.

The breakdown of the January 1956 copra exports by country of destination is as follows: United States -- 19,840 tons (Pacific - 16,834, Atlantic - 1,199, Gulf -- 1,807); Canada -- 500; Belgium -- 2,500; Denmark -- 3,500; Germany -- 8,900; the Netherlands -- 25,400; Norway -- 500; Sweden -- 3,500; Europe unspecified -- 6,000; Israel -- 1,000; Colombia -- 9,450; and South America unspecified -- 5,800 tons.

January exports of coconut oil totaled 7,743 tons an increase of 2 percent from December 1955 and 42 percent above the volume shipped in January 1955. The entire January shipments of oil went to the United States (Atlantic -- 7,445, Pacific -- 298).

On a copra equivalent basis, exports of copra and coconut oil for the month totaled 99,180 tons, or 45 percent more than the 68,432 tons exported in January 1955.

The copra export price in mid-February was \$145.00 per short ton, c.i.f. Pacific Coast. Local buying prices were 23.35 to 26.00 pesos per 100 kilograms (\$118.62 to \$132.09 per long ton) resecada in Manila and producing areas.

C O R R E C T I O N -- Vegetable Oil Shipments Through Suez Canal

Northbound vegetable oil shipments through the Suez Canal totaled 741 million pounds in 1954 and 1,036 million pounds in 1953, rather than 593 million and 871 million, respectively, as reported on page 202, Foreign Crops and Markets of February 13, 1956.

INDONESIA'S COPRA EXPORTS  
DOWN ONE-FIFTH IN 1955

Indonesia's copra exports during December 1955 are reported at 12,275 long tons compared with 15,909 tons in December 1954. Total exports during the year 1955 amounted to 233,266 tons or one-fifth less than the 292,162 tons shipped in 1954.

COTTON EXPORT AUTHORIZATIONS  
UNDER PUBLIC LAW 480 PROGRAMS

Several agreements have been signed recently for cotton exports under Title I (sales for foreign currencies) of Public Law 480. Purchase authorizations have been issued to Ecuador, Israel, Colombia, and Yugoslavia, and are pending for Austria and Burma. The agreement with Burma includes about \$1,000,000 for cotton exports to Burma and \$16,500,000 for tripartite arrangements with other countries whereby Burma will exchange allocated cotton for cotton products. Countries participating in the tripartite agreements with Burma have not yet been announced. Agreements concluded since the program began in late 1954 are listed below.

Cotton exports authorized under Title I, Public Law 480 (83rd Congress), by funds allocated in fiscal years 1954-55 and 1955-56 to date

(bales of 500 pounds gross)

Country of destination	Funds authorized	Cotton to be exported	Contracting period ends	Delivery period ends
<u>Fiscal year: 1/</u>	<u>1,000</u>	<u>1,000</u>		
<u>1954-55</u>	<u>bales</u>	<u>bales</u>		
Yugoslavia.....	9,726	54	3-31-56	4-30-56
Israel.....	1,125	6	8-31-55	9-30-55
Finland.....	2,900	15	9-30-55	11-18-55
Spain.....	8,500	43	2-29-56	3-31-56
Italy.....	36,600	183	3-31-56	4-30-56
Austria.....	510	3	9-30-55	12-31-55
Pakistan/UK.....	5,200	26	2-15-56	3-15-56
Pakistan/Hong Kong.....	1,000	5	2-15-56	3-15-56
Pakistan/Lebanon.....	600	3	2-29-56	3-31-56
Pakistan/Germany.....	1,500	8	2-29-56	3-31-56
Pakistan/Belgium.....	500	3	2-29-56	3-31-56
Pakistan/Japan.....	9,700	49	2-29-56	3-31-56
Pakistan/Italy.....	1,400	7	2-29-56	3-31-56
Pakistan/France.....	840	4	2-29-56	3-31-56
Pakistan/Netherlands.....	700	4	3-15-56	4-15-56
Pakistan/Switzerland.....	1,000	5	3-15-56	4-15-56
Korea.....	9,400	47	12-31-55	2-29-56
Japan.....	35,000	175	12-5-55	1-15-56
Total 1954-55.....	126,201	640	-	-
<u>1955-56:</u>				
Colombia.....	1,635	8	11-30-55	12-15-55
Ecuador.....	946	5	5-15-56	6-15-56
Israel.....	1,532	9	3-31-56	7-31-56
Colombia.....	6,137	34	5-31-56	6-30-56
Yugoslavia.....	8,500	49	5-31-56	6-30-56
Sub-total 1955-56	18,750	105	-	-
Austria 2/.....	5,600	30	-	-
Burma 2/.....	17,500	100	-	-

1/ The listing of countries applies to the fiscal year in which funds were allocated and not necessarily to the year of export. 2/ Country agreements have been signed, but purchase authorizations have not been issued.



BELGIAN COTTON IMPORTS  
DROP BELOW LAST YEAR

Belgium's cotton imports in the 3-month period August-October 1955 amounted to 85,000 bales (500 pounds gross) dropping 22 percent from imports of 109,000 bales in the corresponding months of 1954.

Imports from the United States in the current period were 6,000 bales, or 7 percent of the total, dropping sharply from the 13,000 bales or 12 percent of the total a year ago. Decreased imports from Mexico, the Belgian Congo, and Brazil were also reported, but were partially offset by increased amounts from India and Nicaragua. Quantities imported in August-October 1955 with 1954 figures in parentheses were: the United States 6,000 bales (13,000); Mexico 19,000 (24,000); the Belgian Congo 18,000 (20,000); India 11,000 (1,000); Nicaragua 8,000 (1,000); Peru 6,000 (8,000); Brazil 2,000 (10,000); Guatemala 1,000 (7,000).

Cotton consumption in Belgium during the August-October quarter 1955 amounted to 110,000 bales, decreasing 8 percent from the 119,000 bales consumed in the corresponding period of 1954. Consumption of the United States cotton dropped more sharply, however, decreasing 33 percent from the 21,000 bales used in August-October 1954 to the 14,000 bales consumed in the current period.

Belgium's cotton stocks on October 31, 1955, were estimated at 115,000 bales, down 12 percent from stocks of 130,000 bales held October 31, 1954, and 18 percent below stocks of 140,000 bales on August 1, 1955. Stocks of United States cotton were estimated at 12,000 bales on October 31, 1955, down 37 percent from stocks of 19,000 bales held a year earlier, and 40 percent less than the 20,000 bales held on August 1, 1955.

Production of cotton fabrics was down 9 percent during the July-September 1955 quarter, as compared to the corresponding period of 1954. Average monthly production during July, August, and September 1955, amounted to 5,521 metric tons as compared with 6,070 metric tons a year earlier. Inventories of fabrics held by mills at the end of September 1955 were reported at 11,000 metric tons.

COTTON PRODUCTION IN THE SUDAN

The 1955-56 cotton crop in the Sudan, now officially estimated at 419,000 bales (500 pounds gross) is slightly larger than those of the 2 previous years, and is the largest on record. Production in 1954-55 and 1953-54 was estimated at 403,000 and 400,000 bales, respectively. Cotton acreage for the 1954-55 crop was estimated at 685,000 acres, to mark the 5th successive year of acreage expansion during which time the increase has averaged about 50,000 acres annually. The 1955-56 acreage is estimated by private sources at 720,000 acres. Long range plans for cotton production in the Sudan, reportedly, are for expansion to approximately 1 million acres within the next 10 years.

Sudan is already in the top ten of the cotton exporting countries, and cotton exports account for about 80 percent of the country's annual income. Almost two-thirds of the 1954-55 crop was grown under irrigation. This was almost entirely of the extra-long-staple Sakel-type cotton. The balance of the Sudan crop is of American-type cotton, largely rain grown.

The type of acreage expansion in the future will to some degree depend on availability of water from the Nile River which is shared with Egypt. The present ratio for distribution of the total volume of water used by the two countries is 1/12th to the Sudan, and 11/12ths to Egypt. Limitation of water supplies would tend to shift cotton acreage to the rain grown varieties of American cotton which mature quicker and also require less water when under irrigation than the Sakel type cotton.

SUDAN: Exports of cotton by countries of destination;  
averages 1934-38 and 1945-49; annual 1953-54;  
August-October 1954-55 and 1955-56

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1				August-October	
	Averages		1953	1954	1954-55	1955-56
	1934-38	1945-49				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
United States.....	3	1/ 16	10	1	1	1
Belgium.....	2/	2/	11	4	2	3
Czechoslovakia.....	2/	3/	0	6	0	1
France.....	16	2	29	27	4	11
Germany, West.....	5	3/	20	20	4	23
Italy.....	9	1	35	40	10	16
Netherlands.....	1/ 2	4/ 5	3	1	3/	0
Poland.....	1/ 5	2/	0	3	0	3/
United Kingdom.....	161	202	256	113	27	56
China.....	4/ 4	2/	0	0	0	4
Hong Kong.....	2/ 47	4/ 2	1	3/	3/	16
India.....	5/ 47	5/ 67	37	68	5	22
Japan.....	6/ 8	2/	1	2	0	3/
Other countries.....	5	6	10	13	3	3
Total.....	7/ 258	7/ 287	413	298	56	156

1/ 2-year average. 2/ If any, included in "Other countries". 3/ Less than 500 bales. 4/ One year only. 5/ Includes Pakistan. 6/ 4-year average. 7/ Total does not add due to partial averages.

Sources: Foreign Trade and Internal Statistics; Agricultural Attaches, and other United States representatives abroad.

Practically all of Sudan's cotton production is exported, and none is imported. All shipments move through Port Sudan on the Red Sea. Total exports in 1954-55 amounted to 298,000 bales, dropping sharply from the 413,000 bales exported in 1953-54. A marked upward trend has been registered in the early months of the 1955-56 season, however, with August-October 1955 exports amounting to 156,000 bales or nearly three times the amount exported in the same months of 1954. Approximately one-third of Sudan's cotton is exported to the United Kingdom, with India, Italy, France, and Western Germany as the other principal destinations. Czechoslovakia, China, and Poland have appeared on the export trade records since January 1955.

Sudan has no cotton textile industry, and nearly all cotton clothing and textiles are imported. There is one small experimental cotton mill in Equatoria, but all the goods produced is used by the cotton growers themselves. There is also a small amount of home spinning and weaving of coarse cloth. Total domestic cotton consumption is estimated at 5,000 bales per year. Textile imports in recent years were reported as follows:

SUDAN: Textile imports, 1953 and 1954 and  
January-June 1954-55 1/

Type of fabric	(in metric tons)				
	Calendar years		January-June		
	1953	1954	1954	1955	
Cotton piece goods:					
Grey.....	3,607	8,048	3,562	4,391	
Other.....	3,803	3,656	1,872	1,838	
Artificial textiles:					
Piece goods.....	3,037	2,267	1,128	1,304	

1/ India is the main source of textile imports, with Egypt, the United Kingdom, the Netherlands, and Japan as other important sources.

Source: Ministry of Social Affairs, Statistics on Trade

Sudan has a total of 25 cotton gins, comprising a total of 1,024 stands, with 980 roller stands, and 44 saw stands. All gins are under Government control for inspection, standardization, and seed collection. The gins have been in use for at least 25 years and do not contain more recently developed equipment for improved ginning.

Sudan's cotton is harvested in January through March, and most of it is sold by auction with minimum prices fixed by the Government. The minimum prices are based on the Alexandria spot market for comparable Egyptian grades, with differentials for adjustments between grades. They may be changed from day to day, or periodically, to reflect price changes at Alexandria. The plan is intended primarily to prevent excessive depression of prices on days of low demand. About 18 to 25 percent of long-staple production (Sakel) is sold by private estates, often on their own sale arrangements.



Sudan's cotton exports are free of subsidies, entitlement funds, or other export assistance devices. There is an export duty, however, assessed by the Government on the exporter at the time of sale. The export duty, announced each year on January 15, is as follows for the current year:

SUDAN: Cotton export duty for the year beginning January 15, 1956

(in equivalent U. S. cents per pound)

Variety <u>1/</u>	Export duty	Quay dues	Total <u>2/</u>
Long staple: .			
1-5/16 to 1-9/16 inches.....:	5.82	0.12	5.94
Medium staple:			
1-1/16 up to 1-5/16 inches....:	5.24	.10	5.34
Short staple:			
13/16 up to 1-1/16 inches.....:	4.65	.08	4.73

1/ Long staple varieties are Sakel and Lambert; medium staple refers to Zeidab (wild Coker seed); and the short staple is rain-grown American.

2/ These rates are approximately the same as those in effect last year.

#### URUGUAY DECREES FREE COMMERCIALIZATION OF LINSEED OIL, CAKE, AND MEAL

On February 1, 1956 the Government of Uruguay issued a decree which declared the free commercialization of linseed oil, cake, and meal. This free commercialization, however, does not exclude the processors of linseed oil from the obligation of delivering the normal quantities required for local consumption. The exportation of flaxseed, as such, is still prohibited.

The same decree also fixes the export exchange rate for 1956 for linseed oil, cake, and meal at 1.78 pesos per dollar or its equivalent in other currencies. This is the same rate that was paid under the decree of September 22, 1955 (Foreign Crops and Markets, October 24, 1955) for the same products, except for linseed oil which received an exchange rate of 1.90 pesos per dollar. The 1.90 rate is believed to have been dropped to 1.78 because of the increased international price.

Latest official estimates place 1955-56 flaxseed production at about 2.4 million bushels. This is considerably below original estimates due largely to bad weather and insect damage. In 1954-55 production was almost 2.5 million bushels.





UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

---

Official Business

PENALTY FOR PRIVATE USE TO AVOID  
PAYMENT OF POSTAGE, \$300  
(PMGC)



